

## EXTRA

## The

## Evening

## World.

## FINAL EDITION

"Circulation Books Open to All."

"Circulation Books Open to All."

PRICE ONE CENT.

Copyright, 1917, by The Press Publishing Co. (The New York World).

NEW YORK, SATURDAY, FEBRUARY 3, 1917.

12 PAGES

PRICE ONE CENT.

# OVERT ACT BY GERMANY MEANS WAR, SAYS WILSON

## GERMANS CRIPPLE LINERS HELD HERE, SAYS REPORT; 800 GUARDS UNABLE TO ACT

Engines of Austrian Freighter Himalaya Are Found Badly Damaged.

PLANS TO SEIZE SHIPS.

All Will Be Taken Over Instant War Is Declared—Can't Dash to Sea.

An inspector of the Neutrality Squad boarded the Austrian steamer Himalaya in Newark Bay at noon today, went below and found that the cylinder heads had been removed from the engines, that other parts of the engines had been demolished and that the crank shafts had been disconnected.

The inspector reported to Collector of the Port Malone that the Himalaya is completely disabled. Washington has been asked for instructions as to the right of the Germans aboard the liners in this harbor to dismantle or cripple their engines. The collector's 800 guards have been unable to act.

In view of the important matters now occupying the President, the Cabinet and the Congress, no reply is expected to-day. There is very good reason to believe that several of the big German ships lying at docks in New York and vicinity have been practically wrecked by the removal and destruction of machinery.

COMMANDER OF VADERLAND SAYS BREAK IS "TOO BAD."

Commodore Hans Kuser of the Vaterland, when told by reporters this afternoon that diplomatic relations with Germany had been severed, said: "That is too bad, too bad. I sincerely there is room for some way out yet. Just to think I have been here now almost two and a half years. I have made friends. I hope with all my heart things are not to be worse."

The Commodore was asked if there was any truth in the report that the German ships, and especially his, had been prepared for sinking or the machinery disabled.

"There is absolutely no truth in that story. Absolutely none."

He was then asked what he thought of the chances of getting to sea. He replied: "That would be useless. We could not go anywhere without coal. As a matter of fact, we took on 100 tons of coal three days ago. You can figure just how far that would go when you recall that we use 1200 tons each day when steaming at our usual speed."

"All the steam we have on now is enough to heat the ship, to run the electric machines for the lights and to run the fire pumps. If it should unfortunately be needful to run them, all the coal we have would not generate enough steam to turn our propellers over once."

Severance of diplomatic relations between the United States and Germany does not alter the status of the German liners docked in this port. They are still the property of German corporations backed by the Government of Germany, and sub-

(Continued on Second Page.)

## ATTEMPT TO SCUTTLE U. S. SUBMARINE BOAT

Sea Cocks on the Paul Jones Found Open—Assistant Machinist Arrested.

PHILADELPHIA, Feb. 3.—The submarine Paul Jones is in a sinking condition. A man on the boat, said to be a machinist's mate, is alleged to have opened the sea cocks. As the boat was being towed into her dock at the Mare Island Navy Yard the vessel was seen to list. Investigation by officers revealed the sea cocks were open.

When the vessel was finally docked there was two feet of water in the hold. The chief machinist's mate was arrested and placed in irons, it was said.

## GERMAN INSOLENCE TO U. S. "INSANITY," SAYS LLOYD GEORGE

British Premier Says Americans Are Treated Like Dutch Cattle Boats.

CARNARVON, Wales, Feb. 3.—"Germany's naked savagery now stands revealed—even to the most indulgent neutral," Premier Lloyd George declared to-day in a speech to his own constituents.

"Germany," said the Premier, "graciously permits American ships to sail under the marks which are ostensible for Dutch cattleboats. Such insolence is only insanity."

Owing to the discovery of the recent plot against the Premier's life extraordinary precautions were taken to protect him.

In the course of his speech the Premier declared: "We have no doubt of the ultimate victory, but there are many broad and turbulent rivers we must cross to that end which the nation must help bridge."

"Besides the rights of small nations we are fighting for the doctrine that the Turk is incapable of governing any race justly—even his own."

## U. S. GERMANS BACK WILSON

"I Am for America," Declares Head of German-American Alliance.

CINCINNATI, Feb. 3.—"I am for America," was the declaration to-day of John Schwab, State President of the German-American Alliance.

(Continued on Seventh Page.)

## STOCKS GO SOARING IN A WAR MARKET AFTER EARLY PANIC

Sellers Turn Buyers in Wildest Whipsaw Session Street Has Seen.

In the two short hours of a Saturday Stock Exchange session financiers, brokers and thousands of speculators of every degree from lambs to plungers, passed through what was probably the wildest whipsaw market that Wall Street has ever experienced. From a peace market, filled with fears, rumors and depressed prices, the Street suddenly somersaulted into a war market, buoyant and excited, with quotations of war stocks fairly leaping upward.

A panic to sell at the opening and on first announcement of the break with Germany quickly developed into a mad rush to buy and the session was all too short to permit brokers to execute their orders. In the final fifteen minutes transactions equaled those of many five-hour sessions.

Sales reported aggregated 1,000,000 shares for the two hours, but there were many thousands more that could not be noted in the whirlwind finish.

Every kind of security picked up in the war fever current, even those of shipping companies whose business is liable to suffer the most restrictions in the future.

## WHEAT AND COTTON MARKETS ALSO BOOM.

Even the Chicago wheat market and the New York cotton market, which would be supposed to suffer from restricted exports, were transformed from the slump of recent days into tremendous activity and rising prices.

U. S. Steel, as usual, was the stock market leader. For the first half hour it sagged under the fears and uncertainty of speculators, finally breaking below par at low of 99 3/8. Within ten minutes after news of the break in international relations came Steel began a steady rise until it gained 5 1/4 points, to a high of 104 3/8.

Other steel company shares were even more buoyant. Republic rose 3 points to 75; Crucible 7 1/2 points to 38. Among the mining companies American Smelting gained 3 1/2 to 97, Utah 4 1/2 to 107 and Anaconda 2 1/2 to 73 1/2.

In the railroad group Reading rose 4 points, Union Pacific 3 and New York Central 4 points. After heavy losses Atlantic Gulf Steamship regained 7 1/2 points and General Motors took an 11 point upward flight.

May wheat on the Chicago Board of Trade had an extreme range of 13 cents per bushel from \$1.94 1/2 to \$1.97 1/2, closing 3 cents off from the top. Options for the other months fluctuated within much more narrow range. Provision prices were hit hardest. Pork was the principal loser, falling nearly 39 cents per barrel, and did not make so effective a recovery.

The cotton market passed through the same up and down movement, from 100 points below at the opening to 100 points above at the close.

This remarkable turning of what

## ADRIATIC SAILS, DEFYING U-BOATS; ST. LOUIS HELD UP

Din of Whistles Speeds White Star Liner With 24 Passengers On Way.

The big White Star liner Adriatic left New York for Liverpool at 12:05 o'clock this afternoon under circumstances more dramatic than any that have attended the departure of a vessel since the day the Lusitania, after a long and stormy voyage, was cut short off Kinsale Head by a German submarine.

The Adriatic carries an enormous cargo but only twenty-four passengers, fifteen first class and nine second class. As the liner backed out into the river with her upper decks piled high with automobile trucks and cases containing contraband her crew lined the rails and gave three cheers for the United States. The news of the severance of diplomatic relations between Washington and Berlin had just reached the pier.

All the way down the river and through the upper and lower bays the Adriatic was greeted with a deafening chorus of steam whistle salutes from other craft and waving handkerchiefs saluted her from the windows of skyscrapers ashore.

Capt. Ransom, a phlegmatic mariner of the Royal Naval Reserve, acknowledged the salutes from river craft, the steam from his whistle puffing out every few seconds, to be whipped away by the icy gale. Before leaving the pier Capt. Ransom said:

"They've been after me ever since the war started, and I'm not any more afraid of them now than I have been at any time in two years and a half."

## CARMANIA ALSO DUE TO LEAVE TO-DAY.

The Carmania of the Cunard Line, with a great cargo of munitions but only twenty passengers, is scheduled to sail some time to-day. She may not get out of port until to-night. Cunard and White Star Line officials express the opinion that their ships will be safer in the so-called danger zone in the future than they have been in the past, because the British Government will take extraordinary measures to protect them.

The American liner St. Louis, scheduled to sail at noon to-day, will remain in port until the United States Government makes arrangements to protect the citizens of this country who may desire to travel on the high seas. The International Mercantile Marine had arranged for the St. Louis to leave to-morrow at noon, but the news of the break between Germany and this country caused the cancellation of all plans as to vessels flying the American flag.

The Rochambeau of the French line, scheduled to sail at noon to-day, was delayed by lack of coal and will not leave until to-morrow. Of the 100 passengers who had engaged passage only twelve had cancelled up to noon to-day.

## HUNDREDS TAKE PASSAGE ON NEW YORK AT LIVERPOOL.

The local American line offices received a cablegram to-day from Capt. Roberts of the New York, at Liverpool saying that all the passenger accommodations on the ship have been taken for the voyage to New York. The New York has room for 325 first class, 225 second class and 350 steerage passengers. Capt.

(Continued on Seventh Page.)

## U. S. FORCED TO BREAK RELATIONS; ONLY COURSE OPEN WITH HONOR

President Greeted With Wild Cheering in Congress as He Tells of the Dismissal of the German Ambassador and the Recall of Gerard.

## Reluctant to Believe Germany Will Act as Announced—If She Does the Course of This Country Is Clear.

WASHINGTON, Feb. 3.—President Wilson in a speech before Congress this afternoon officially announced that diplomatic relations with Germany had been broken off by the recall of Ambassador Gerard and the handing of passports to Count von Bernstorff, the German Ambassador.

These papers were later to the dismissed envoy at 1:57, and five minutes later the President began his address.

When the President announced that relations with Germany had been severed there were cheers and hand clapping on both sides of the chamber, Republicans and Democrats joining in the demonstration.

Congress and the galleries cheered again when the President declared he could not believe that Germany would not regard her obligations and intended to destroy "American ships and take the lives of American citizens."

Senator Lodge, ranking Republican member of the Foreign Relations Committee, led in the cheering.

Louder and more widespread cheering greeted the announcement that the President would come to Congress again to ask authority to "use any means that may be necessary for the protection of our seamen and our people," should "American ships and American lives" be sacrificed by German naval commanders in "heedless contravention of the just and reasonable understanding of international law and the obvious dictates of humanity."

When the President concluded Congress rose again and cheered and remained standing while the President left the chamber.

The Senate returned immediately to its own wing of the Capitol. Justices went to the Supreme Court and Cabinet officials filed out. The House resumed its routine work as though nothing unusual or disturbing had occurred.

The President hurried back to the White House. Before leaving the President went to Speaker Clark's office with the committee of Senators and Representatives who escorted him, and each shook hands with him.

A few minutes after Secretary Baker went into conference with the President at the White House, Secretary Daniels arrived. Precautionary measures to be taken were under discussion.

Spain will take over the diplomatic interests of the United States in Berlin.

Ambassador Gerard's instructions are to close his embassy as well as all the consulates in Germany. All Em-

(Continued on Second Page.)

## U-BOAT PLEDGES BROKEN, BERLIN KNEW IN ADVANCE WHAT OUR POLICY MUST BE

## "We Do Not Desire Any Hostile Conflict; We Desire to Remain at Peace," but "We Will Defend Our Rights Against Wilful Injustice by Germany."

WASHINGTON, Feb. 3.—President Wilson in the closing sentence of his speech to Congress stated explicitly the policy of this Government. He said:

"This Government has no alternative consistent with the dignity and honor of the United States but to take the course which, in its note of the 18th of April, 1916, it announced that it would take in the event that the German Government did not declare and effect an abandonment of the methods of submarine warfare which it was then employing and to which it now purposes again to resort."

"I have, therefore, directed the Secretary of State to announce to His Excellency the German Ambassador that all diplomatic relations between the United States and the German Empire are severed, and that the American Ambassador at Berlin will immediately be withdrawn, and, in accordance with this decision, to hand to His Excellency his passports."

"Notwithstanding this unexpected action of the German Government, this sudden and deeply deplorable renunciation of its assurances, given this Government at one of the most critical moments of tension in the relations of the two governments, I refuse to believe that it is the intention of the German authorities to do in fact what they have warned us they will feel at liberty to do. I cannot bring myself to believe that they will indeed pay no regard to the ancient friendship between their people and our own or to the solemn obligations which have been exchanged between them and destroy American ships and take the lives of American citizens in the wilful prosecution of the ruthless naval programme they have announced their intention to adopt. Only actual overt acts on their part can make me believe it even now."

"If this inveterate confidence on my part in the sobriety and prudent foresight of their purpose should unhappily prove unfounded; if American ships and American lives should in fact be sacrificed by their naval commanders in heedless contravention of the just and reasonable understandings of international law and the obvious dictates of humanity, I shall take the liberty of coming again before the Congress, to ask that authority be given me to use any means that may be necessary for the protection of our seamen and our people in the prosecution of their peaceful and legitimate errands on the high seas. I can do nothing less. I take it for granted that all neutral governments will take the same course."

"We do not desire any hostile conflict with the Imperial German Government. We are the sincere friends of the German people and earnestly desire to remain at peace with the Government which speaks for them. We shall not believe that they are hostile to us unless and until we are obliged to believe it; and we purpose nothing more than the reasonable defense of the undoubted rights of our people. We wish to serve no selfish ends."

"We seek merely to stand true alike in thought and in action to the immortal principles of our people which I sought to express in my address to the Senate only two weeks ago—seek merely to vindicate